

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

RE: ECF No. 2858

**JOINT INFORMATIVE MOTION SUBMITTING STATUS REPORT
REGARDING MEMORANDUM AND ORDER DATED APRIL 6, 2018**

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as representative of the Commonwealth of Puerto Rico (the “Commonwealth”) in this Title III case pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² and Gladys García Rubiera, as lead plaintiff on behalf of a certified class (collectively, the “Movants”) in the class action lawsuits captioned *Gladys García Rubiera, et al. v. Hon. Luis G. Fortuño, et al.*, Case No. 02-1179 (GAG), pending before the United States District Court for the District of Puerto Rico, and *Gladys García Rubiera, et*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

al., v. Asociación de Suscripción Conjunta, et al., Civil Number K DP2001-1441 pending before the Puerto Rico Court of First Instance (collectively, the “Lawsuits”), hereby file this joint status report in the form of an informative motion pursuant to the Court’s *Memorandum Order Granting In Part And Denying In Part Motion Requesting Relief From Stay Under Section 362(d)(1) of the Bankruptcy Code (Docket Entry No. 2434)* [ECF No. 2858].

A. How the claim process established by the Stipulations should be coordinated with the general proof of claim submission and bar dates mechanisms in these Title III cases.

i. Movants’ position:

Plaintiffs’ position is that a Proof of Claim should be signed by the representatives of the class and the attorney for the class and filed before the bar date, May 29th, 2018 for the total amount owed to the class and separately for the amount of attorney’s fees. Plaintiffs’ proposes that the bar date for the members of the class to file individual Proof of Claim should be extended for a period of two (2) years after adequate final notice is given pursuant to the stipulations.

ii. Oversight Board’s Position:

The Oversight Board agrees that a single proof of claim may be submitted by the representatives of the certified class in the Lawsuits. The Oversight Board does not believe individual class members should be required to file individual proofs of claim, as the underlying claim(s) can be adjudicated or settled on their behalf through the class representatives.

B. Whether claims arising from premiums paid from 2006 to 2010, and related attorney’s fees claims, should be treated in the same fashion as pre-2006 claims.

i. Movants’ position:

Although Plaintiffs ‘class considers that all refunds are not part of the estate of debtor and without prejudice to their appeal, which they have already filed, they consider that the refunds

corresponding to the year 2006 to 2010 and the share of attorney's fees should be treated in the same fashion as pre-2006 premiums, as the 2006-2010 premiums were not escheated and remain the property of the Plaintiffs' class.

ii. Oversight Board's Position:

The Oversight Board asserts all the applicable funds subject to the Lawsuits, whenever received by the Commonwealth, are property of the Commonwealth not subject to any property right or interest of the Movants. As such, the claims of the Movants asserted in the Lawsuits are general, unsecured, prepetition litigation claims against the Commonwealth that will be treated accordingly in the Commonwealth's Title III plan of adjustment, and all members of the certified class should receive the same treatment regardless of the timing of the respective payments to the Commonwealth.

[Signature page follows]

Dated: May 1, 2018
San Juan, Puerto Rico

Respectfully submitted,

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